

# FEDERAL OPERATING PERMIT

A FEDERAL OPERATING PERMIT IS HEREBY ISSUED TO

Luminant Generation Company LLC

AUTHORIZING THE OPERATION OF

Sandow Steam Electric Station  
Electric Services

LOCATED AT

Milam County, Texas

Latitude 30° 33' 51" Longitude 097° 03' 50"

Regulated Entity Number: RN102147881

This permit is issued in accordance with and subject to the Texas Clean Air Act (TCAA), Chapter 382 of the Texas Health and Safety Code and Title 30 Texas Administrative Code Chapter 122 (30 TAC Chapter 122), Federal Operating Permits. Under 30 TAC Chapter 122, this permit constitutes the permit holder's authority to operate the site, emission units and affected source listed in this permit. Operations of the site, emission units and affected source listed in this permit are subject to all additional rules or amended rules and orders of the Commission pursuant to the TCAA.

This permit does not relieve the permit holder from the responsibility of obtaining New Source Review authorization for new, modified, or existing facilities in accordance with 30 TAC Chapter 116, Control of Air Pollution by Permits for New Construction or Modification.

The site, emission units and affected source authorized by this permit shall be operated in accordance with 30 TAC Chapter 122, the general terms and conditions, special terms and conditions, and attachments contained herein.

This permit shall expire five years from the date of issuance. The renewal requirements specified in 30 TAC § 122.241 must be satisfied in order to renew the authorization to operate the site, emission units and affected source.

Permit No:       O54       Issuance Date: March 12, 2010

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For the Commission

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## **General Terms and Conditions**

The permit holder shall comply with all terms and conditions contained in 30 TAC § 122.143 (General Terms and Conditions), 30 TAC § 122.144 (Recordkeeping Terms and Conditions), 30 TAC § 122.145 (Reporting Terms and Conditions), and 30 TAC § 122.146 (Compliance Certification Terms and Conditions).

In accordance with 30 TAC § 122.144(1), records of required monitoring data and support information required by this permit, or any applicable requirement codified in this permit, are required to be maintained for a period of five years from the date of the monitoring report, sample, or application unless a longer data retention period is specified in an applicable requirement. The five year record retention period supersedes any less stringent retention requirement that may be specified in a condition of a permit identified in the New Source Review Authorization attachment.

If the permit holder chooses to demonstrate that this permit is no longer required, a written request to void this permit shall be submitted to the Texas Commission on Environmental Quality (TCEQ) by the Responsible Official in accordance with 30 TAC § 122.161(e). The permit holder shall comply with the permit's requirements, including compliance certification and deviation reporting, until notified by the TCEQ that this permit is voided.

The permit holder shall comply with 30 TAC Chapter 116 by obtaining a New Source Review authorization prior to new construction or modification of emission units located in the area covered by this permit.

All reports required by this permit, except for reports required solely by the Acid Rain permit or the Clean Air Interstate Rule permit, must include in the submittal a cover letter which identifies the following information: company name, TCEQ regulated entity number, air account number (if assigned), site name, area name (if applicable), and Air Permits Division permit number(s).

### **Special Terms and Conditions: Emission Limitations and Standards, Monitoring and Testing, and Recordkeeping and Reporting**

1. Permit holder shall comply with the following requirements:
  - A. Emission units (including groups and processes) in the Applicable Requirements Summary attachment shall meet the limitations, standards, equipment specifications, monitoring, recordkeeping, reporting, testing, and other requirements listed in the Applicable Requirements Summary attachment to assure compliance with the permit.
  - B. The textual description in the column titled "Textual Description" in the Applicable Requirements Summary attachment is not enforceable and is not deemed as a substitute for the actual regulatory language. The Textual Description is provided for information purposes only.

- C. A citation listed on the Applicable Requirements Summary attachment, which has a notation [G] listed before it, shall include the referenced section and subsection for all commission rules, or paragraphs for all federal and state regulations and all subordinate paragraphs, subparagraphs and clauses, subclauses, and items contained within the referenced citation as applicable requirements.
- D. When a grouped citation, notated with a [G] in the Applicable Requirements Summary, contains multiple compliance options, the permit holder must keep records of when each compliance option was used.
- E. The permit holder shall comply with the applicable requirements of 40 CFR Part 63, Subparts A and UUUUU and 30 TAC Chapter 113, Subchapter C, § 113.1300 for the following unit (S4MB) by April 16, 2016. This is a one year extension of the compliance date granted in accordance with § 63.6(i)(4)(i)(A). The permit holder shall comply with the emission control installations, compliance schedule, and notification requirements contained in the 40 CFR Part 63, Subparts A and UUUUU Compliance Extension attachment of this permit. The permit holder shall maintain the original documentation from the TCEQ Executive Director granting the compliance extension. Documentation shall be maintained and made available in accordance with 30 TAC § 122.144. No later than April 16, 2016, the permit holder shall submit a revision application to codify the requirements in the permit.
- F. Emission units subject to 40 CFR Part 63, Subpart DDDDD as identified in the attached Applicable Requirements Summary table are subject to 30 TAC Chapter 113, Subchapter C, §113.1130 which incorporates the 40 CFR Part 63 Subpart by reference.
- G. The permit holder shall comply with the following 30 TAC Chapter 101, Subchapter H, Division 2 (Emissions Banking and Trading of Allowances) Requirements for an electric generating facility authorized under 30 TAC Chapter 116, Subchapter I:
  - (i) Title 30 TAC § 101.332 (relating to General Provisions)
  - (ii) Title 30 TAC § 101.333 (relating to Allocation of Allowances)
  - (iii) Title 30 TAC § 101.334 (relating to Allowance Deductions)
  - (iv) Title 30 TAC § 101.335 (relating to Allowance Banking and Trading)
  - (v) Title 30 TAC § 101.336 (relating to Emission Monitoring and Compliance Demonstration and Reporting)

- (vi) The terms and conditions by which the emission limits are established to meet the quantity of allowances for the electric generating facility are applicable requirements of this permit
- H. For the purpose of generating discrete emission reduction credits through 30 TAC Chapter 101, Subchapter H, Division 4 (Discrete Emission Credit Banking and Trading), the permit holder shall comply with the following requirements:
- (i) Title 30 TAC § 101.372 (relating to General Provisions)
  - (ii) Title 30 TAC § 101.373 (relating to Discrete Emission Reduction Credit Generation and Certification)
  - (iii) Title 30 TAC § 101.374 (relating to Mobile Discrete Emission Reduction Credit Generation and Certification)
  - (iv) Title 30 TAC § 101.375 (relating to Emission Reductions Achieved Outside the United States)
  - (v) Title 30 TAC § 101.378 (relating to Discrete Emission Credit Banking and Trading)
  - (vi) The terms and conditions by which the emission limits are established to generate the discrete reduction credit are applicable requirements of this permit
2. The permit holder shall comply with the following sections of 30 TAC Chapter 101 (General Air Quality Rules):
- A. Title 30 TAC § 101.1 (relating to Definitions), insofar as the terms defined in this section are used to define the terms used in other applicable requirements
  - B. Title 30 TAC § 101.3 (relating to Circumvention)
  - C. Title 30 TAC § 101.8 (relating to Sampling), if such action has been requested by the TCEQ
  - D. Title 30 TAC § 101.9 (relating to Sampling Ports), if such action has been requested by the TCEQ
  - E. Title 30 TAC § 101.10 (relating to Emissions Inventory Requirements)
  - F. Title 30 TAC § 101.201 (relating to Emission Event Reporting and Recordkeeping Requirements)
  - G. Title 30 TAC § 101.211 (relating to Scheduled Maintenance, Start-up, and Shutdown Reporting and Recordkeeping Requirements)

- H. Title 30 TAC § 101.221 (relating to Operational Requirements)
  - I. Title 30 TAC § 101.222 (relating to Demonstrations)
  - J. Title 30 TAC § 101.223 (relating to Actions to Reduce Excessive Emissions)
3. Permit holder shall comply with the following requirements of 30 TAC Chapter 111:
- A. Visible emissions from stationary vents with a flow rate of less than 100,000 actual cubic feet per minute and constructed after January 31, 1972 that are not listed in the Applicable Requirements Summary attachment for 30 TAC Chapter 111, Subchapter A, Division 1 , shall not exceed 20% opacity averaged over a six-minute period. The permit holder shall comply with the following requirements for stationary vents at the site subject to this standard:
    - (i) Title 30 TAC § 111.111(a)(1)(B) (relating to Requirements for Specified Sources)
    - (ii) Title 30 TAC § 111.111(a)(1)(E)
    - (iii) Title 30 TAC § 111.111(a)(1)(F)(i), (ii), (iii), or (iv)
    - (iv) For emission units with vent emissions subject to 30 TAC § 111.111(a)(1)(B), complying with 30 TAC § 111.111(a)(1)(F)(ii), (iii), or (iv), and capable of producing visible emissions from, but not limited to, particulate matter, acid gases and NO<sub>x</sub>, the permit holder shall also comply with the following periodic monitoring requirements for the purpose of annual compliance certification under 30 TAC § 122.146. These periodic monitoring requirements do not apply to vents that are not capable of producing visible emissions such as vents that emit only colorless VOCs; vents from non-fuming liquids; vents that provide passive ventilation, such as plumbing vents; or vent emissions from any other source that does not obstruct the transmission of light. Vents, as specified in the “Applicable Requirements Summary” attachment, that are subject to the emission limitation of 30 TAC § 111.111(a)(1)(B) are not subject to the following periodic monitoring requirements:
      - (1) An observation of stationary vents from emission units in operation shall be conducted at least once during each calendar quarter unless the emission unit is not operating for the entire quarter.
      - (2) For stationary vents from a combustion source, if an alternative to the normally fired fuel is fired for a period

greater than or equal to 24 consecutive hours, the permit holder shall conduct an observation of the stationary vent for each such period to determine if visible emissions are present. If such period is greater than 3 months, observations shall be conducted once during each quarter. Supplementing the normally fired fuel with natural gas or fuel gas to increase the net heating value to the minimum required value does not constitute creation of an alternative fuel.

- (3) Records of all observations shall be maintained.
- (4) Visible emissions observations of emission units operated during daylight hours shall be conducted no earlier than one hour after sunrise and no later than one hour before sunset. Visible emissions observations of emission units operated only at night must be made with additional lighting and the temporary installation of contrasting backgrounds. Visible emissions observations shall be made during times when the activities described in 30 TAC § 111.111(a)(1)(E) are not taking place. Visible emissions shall be determined with each stationary vent in clear view of the observer. The observer shall be at least 15 feet, but not more than 0.25 mile, away from each stationary vent during the observation. For outdoor locations, the observer shall select a position where the sun is not directly in the observer's eyes. When condensed water vapor is present within the plume, as it emerges from the emissions outlet, observations must be made beyond the point in the plume at which condensed water vapor is no longer visible. When water vapor within the plume condenses and becomes visible at a distance from the emissions outlet, the observation shall be evaluated at the outlet prior to condensation of water vapor. A certified opacity reader is not required for visible emissions observations.
- (5) Compliance Certification:
  - (a) If visible emissions are not present during the observation, the RO may certify that the source is in compliance with the applicable opacity requirement in 30 TAC § 111.111(a)(1) and (a)(1)(B).
  - (b) However, if visible emissions are present during the observation, the permit holder shall either list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2) or conduct the appropriate opacity test specified in

30 TAC § 111.111(a)(1)(F) to determine if the source is in compliance with the opacity requirements. If an opacity test is performed and the source is determined to be in compliance, the RO may certify that the source is in compliance with the applicable opacity requirement. However, if an opacity test is performed and the source is determined to be out of compliance, the permit holder shall list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2). The opacity test must be performed by a certified opacity reader.

- (c) Some vents may be subject to multiple visible emission or monitoring requirements. All credible data must be considered when certifying compliance with this requirement even if the observation or monitoring was performed to demonstrate compliance with a different requirement.

B. For visible emissions from a building, enclosed facility, or other structure; the permit holder shall comply with the following requirements:

- (i) Title 30 TAC § 111.111(a)(7)(A) (relating to Requirements for Specified Sources)
- (ii) Title 30 TAC § 111.111(a)(7)(B)(i) or (ii)
- (iii) For a building containing an air emission source, enclosed facility, or other structure containing or associated with an air emission source subject to 30 TAC § 111.111(a)(7)(A), complying with 30 TAC § 111.111(a)(7)(B)(i) or (ii), and capable of producing visible emissions from, but not limited to, particulate matter, acid gases and NO<sub>x</sub>, the permit holder shall also comply with the following periodic monitoring requirements for the purpose of annual compliance certification under 30 TAC § 122.146:
  - (1) An observation of visible emissions from a building containing an air emission source, enclosed facility, or other structure containing or associated with an air emission source which is required to comply with 30 TAC § 111.111(a)(7)(A) shall be conducted at least once during each calendar quarter unless the air emission source or enclosed facility is not operating for the entire quarter.
  - (2) Records of all observations shall be maintained.
  - (3) Visible emissions observations of air emission sources or enclosed facilities operated during daylight hours shall be

conducted no earlier than one hour after sunrise and no later than one hour before sunset. Visible emissions observations of air emission sources or enclosed facilities operated only at night must be made with additional lighting and the temporary installation of contrasting backgrounds. Visible emissions shall be determined with each emissions outlet in clear view of the observer. The observer shall be at least 15 feet, but not more than 0.25 mile, away from each emissions outlet during the observation. For outdoor locations, the observer shall select a position where the sun is not directly in the observer's eyes. When condensed water vapor is present within the plume, as it emerges from the emissions outlet, observations must be made beyond the point in the plume at which condensed water vapor is no longer visible. When water vapor within the plume condenses and becomes visible at a distance from the emissions outlet, the observation shall be evaluated at the outlet prior to condensation of water vapor. A certified opacity reader is not required for visible emissions observations.

(4) Compliance Certification:

- (a) If visible emissions are not present during the observation, the RO may certify that the source is in compliance with the applicable opacity requirement in 30 TAC § 111.111(a)(7) and (a)(7)(A)
- (b) However, if visible emissions are present during the observation, the permit holder shall either list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2) or conduct the appropriate opacity test specified in 30 TAC § 111.111(a)(7)(B) to determine if the source is in compliance with the opacity requirements. If an opacity test is performed and the source is determined to be in compliance, the RO may certify that the source is in compliance with the applicable opacity requirement. However, if an opacity test is performed and the source is determined to be out of compliance, the permit holder shall list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2). The opacity test must be performed by a certified opacity reader.

- C. For visible emissions from all other sources not specified in 30 TAC § 111.111(a)(1), (4), or (7); the permit holder shall comply with the following requirements:

- (i) Title 30 TAC § 111.111(a)(8)(A) (relating to Requirements for Specified Sources)
- (ii) Title 30 TAC § 111.111(a)(8)(B)(i) or (ii)
- (iii) For a source subject to 30 TAC § 111.111(a)(8)(A), complying with 30 TAC § 111.111(a)(8)(B)(i) or (ii), and capable of producing visible emissions from, but not limited to, particulate matter, acid gases and NO<sub>x</sub>, the permit holder shall also comply with the following periodic monitoring requirements for the purpose of annual compliance certification under 30 TAC § 122.146:
  - (1) An observation of visible emissions from a source which is required to comply with 30 TAC § 111.111(a)(8)(A) shall be conducted at least once during each calendar quarter unless the source is not operating for the entire quarter.
  - (2) Records of all observations shall be maintained.
  - (3) Visible emissions observations of sources operated during daylight hours shall be conducted no earlier than one hour after sunrise and no later than one hour before sunset. Visible emissions observations of sources operated only at night must be made with additional lighting and the temporary installation of contrasting backgrounds. Visible emissions shall be determined with each source in clear view of the observer. The observer shall be at least 15 feet, but not more than 0.25 mile, away from each source during the observation. For outdoor locations, the observer shall select a position where the sun is not directly in the observer's eyes. When condensed water vapor is present within the plume, as it emerges from the emissions outlet, observations must be made beyond the point in the plume at which condensed water vapor is no longer visible. When water vapor within the plume condenses and becomes visible at a distance from the emissions outlet, the observation shall be evaluated at the outlet prior to condensation of water vapor. A certified opacity reader is not required for visible emissions observations.
  - (4) Compliance Certification:
    - (a) If visible emissions are not present during the observation, the RO may certify that the source is in compliance with the applicable opacity requirement in 30 TAC § 111.111(a)(8) and (a)(8)(A)

- (b) However, if visible emissions are present during the observation, the permit holder shall either list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2) or conduct the appropriate opacity test specified in 30 TAC § 111.111(a)(8)(B) to determine if the source is in compliance with the opacity requirements. If an opacity test is performed and the source is determined to be in compliance, the RO may certify that the source is in compliance with the applicable opacity requirement. However, if an opacity test is performed and the source is determined to be out of compliance, the permit holder shall list this occurrence as a deviation on the next deviation report as required under 30 TAC § 122.145(2). The opacity test must be performed by a certified opacity reader.
- D. Certification of opacity readers determining opacities under Method 9 (as outlined in 40 CFR Part 60, Appendix A) to comply with opacity monitoring requirements shall be accomplished by completing the Visible Emissions Evaluators Course, or approved agency equivalent, no more than 180 days before the opacity reading.
- E. For emission units with contributions from uncombined water, the permit holder shall comply with the requirements of 30 TAC § 111.111(b).
- F. Emission limits on nonagricultural processes, except for the steam generators specified in 30 TAC § 111.153, shall comply with the following requirements:
  - (i) Emissions of PM from any source may not exceed the allowable rates as required in 30 TAC § 111.151(a) (relating to Allowable Emissions Limits)
  - (ii) Sources with an effective stack height ( $h_e$ ) less than the standard effective stack height ( $H_e$ ), must reduce the allowable emission level by multiplying it by  $[h_e/H_e]^2$  as required in 30 TAC § 111.151(b)
  - (iii) Effective stack height shall be calculated by the equation specified in 30 TAC § 111.151(c)
- G. Outdoor burning, as stated in 30 TAC § 111.201, shall not be authorized unless the following requirements are satisfied:
  - (i) Title 30 TAC § 111.205 (relating to Exception for Fire Training)
  - (ii) Title 30 TAC § 111.207 (relating to Exception for Recreation, Ceremony, Cooking, and Warmth)

- (iii) Title 30 TAC § 111.209 (relating to Exception for Disposal Fires)
  - (iv) Title 30 TAC § 111.219 (relating to General Requirements for Allowable Outdoor Burning)
  - (v) Title 30 TAC § 111.221 (relating to Responsibility for Consequences of Outdoor Burning)
- 4. Permit holder shall comply with the following 30 TAC Chapter 115, Subchapter C requirements:
  - A. When filling stationary gasoline storage containers with a nominal capacity less than or equal to 1,000 gallons at a Stage I motor vehicle fuel dispensing facility, the permit holder shall comply with the following requirements specified in 30 TAC Chapter 115, Subchapter C:
    - (i) Title 30 TAC § 115.222(7) (relating to Control Requirements)
    - (ii) Title 30 TAC § 115.222(3), as it applies to liquid gasoline leaks
    - (iii) Title 30 TAC § 115.224(1) (relating to Inspection Requirements), as it applies to liquid gasoline leaks
- 5. The permit holder shall comply with the following requirements for units subject to any subpart of 40 CFR Part 60, unless otherwise stated in the applicable subpart:
  - A. Title 40 CFR § 60.7 (relating to Notification and Recordkeeping)
  - B. Title 40 CFR § 60.8 (relating to Performance Tests)
  - C. Title 40 CFR § 60.11 (relating to Compliance with Standards and Maintenance Requirements)
  - D. Title 40 CFR § 60.12 (relating to Circumvention)
  - E. Title 40 CFR § 60.13 (relating to Monitoring Requirements)
  - F. Title 40 CFR § 60.14 (relating to Modification)
  - G. Title 40 CFR § 60.15 (relating to Reconstruction)
  - H. Title 40 CFR § 60.19 (relating to General Notification and Reporting Requirements)
- 6. The permit holder shall comply with the requirements of 30 TAC Chapter 113, Subchapter C, § 113.100 for units subject to any subpart of 40 CFR Part 63, unless otherwise stated in the applicable subpart.

7. For site remediation projects subject to 40 CFR Part 63, Subpart GGGGG that will remove remediation material containing less than 1 megagram per year of the HAP listed in Table 1 to Subpart GGGGG, the permit holder shall comply with 40 CFR § 63.7881(c)(1) - (3) (Title 30 TAC Chapter 113, Subchapter C, § 113.1160 incorporated by reference).
8. The permit holder shall comply with certified registrations submitted to the TCEQ for purposes of establishing federally enforceable emission limits. A copy of the certified registration shall be maintained with the permit. Records sufficient to demonstrate compliance with the established limits shall be maintained. The certified registration and records demonstrating compliance shall be provided, on request, to representatives of the appropriate TCEQ regional office and any local air pollution control agency having jurisdiction over the site. The permit holder shall submit updated certified registrations when changes at the site require establishment of new emission limits. If changes result in emissions that do not remain below major source thresholds, the permit holder shall submit a revision application to codify the appropriate requirements in the permit.
9. The permit holder shall meet the standards, monitoring, and reporting requirements set forth by the United States District Court for the Western District of Texas, Austin Division, in the Order Granting United States' Motion to Approve Stipulation to Resolve Certain alleged Violations of Consent Decree (Stipulated Order) issued on February 27, 2007 pursuant to Civil Action No. A 03 CA 222 SS, which are set forth in the Stipulated Order as follows:

“NOx Emission Controls at Sandow Unit 4:”

- A. “By December 31, 2006, TXU Sandow shall submit to TCEQ, with a copy to the United States, a complete application for a permit or permit modification to install a selective catalytic reduction (“SCR”) at Sandow Unit 4 on Alcoa’s Rockdale, Texas facility. In its application, TXU Sandow shall propose a 30-Day Rolling Average NOx Emission Rate of no less than 0.080 lbs/MMBtu, including periods of startup and shutdown, but excluding malfunctions, as provided in the Consent Decree. If permitted by TCEQ, TXU Sandow shall commence operation of the SCR by June 1, 2010, and shall operate such control device at all times that Sandow Unit 4 is in operation, consistent with the technological limitations, manufacturers’ specifications, and good engineering and maintenance practices for the SCR. The United States has informed the Court that it supports the installation of an SCR at Sandow 4 and agrees that SCR is a technologically practicable and feasible control for NOX emissions on pulverized lignite fired units.”
- B. “Upon commencement of operation of the SCR at Sandow 4, TXU Sandow shall achieve and maintain a 30- Day Rolling Average NOx Emission Rate that is no less stringent than 0.080 lb/MMBtu. TXU Sandow shall

monitor its NOx emissions at Sandow 4 in accordance with the provisions in Paragraphs 75-77 of the Consent Decree. The emissions reductions from the operation of an SCR at Sandow Unit 4 shall not be subject to the prohibition on selling or trading NOx allowances in Paragraph 88 of the Consent Decree; these prohibitions shall apply only to the Consent Decree's obligations at Sandow 5 and the Existing Sandow Units and the Replacement Sandow Unit; provided, however, that neither Alcoa nor TXU Sandow shall use any of the emission reductions under this Order to "net out" of New Source Review at other electricity generating units, as prohibited in Paragraph 91 of the Consent Decree."

- C. "If TCEQ declines to issue a permit authorizing the installation and operation of an SCR at Sandow Unit 4, TXU Sandow will be relieved of its obligation to install and operate an SCR at Sandow Unit 4."

### **Additional Monitoring Requirements**

- 10. Unless otherwise specified, the permit holder shall comply with the compliance assurance monitoring requirements as specified in the attached "CAM Summary" upon issuance of the permit. In addition, the permit holder shall comply with the following:
  - A. The permit holder shall comply with the terms and conditions contained in 30 TAC § 122.147 (General Terms and Conditions for Compliance Assurance Monitoring).
  - B. The permit holder shall report, consistent with the averaging time identified in the "CAM Summary," deviations as defined by the deviation limit in the "CAM Summary." Any monitoring data below a minimum limit or above a maximum limit, that is collected in accordance with the requirements specified in 40 CFR § 64.7(c), shall be reported as a deviation. Deviations shall be reported according to 30 TAC § 122.145 (Reporting Terms and Conditions).
  - C. The permit holder may elect to collect monitoring data on a more frequent basis and average the data, consistent with the averaging time specified in the "CAM Summary," for purposes of determining whether a deviation has occurred. However, the additional data points must be collected on a regular basis. In no event shall data be collected and used in particular instances in order to avoid reporting deviations. All monitoring data shall be collected in accordance with the requirements specified in 40 CFR § 64.7(c).
  - D. The permit holder shall operate the monitoring, identified in the attached "CAM Summary," in accordance with the provisions of 40 CFR § 64.7.

- E. The permit holder shall comply with the requirements of 40 CFR § 70.6(a)(3)(ii)(A) and 30 TAC § 122.144(1)(A)-(F) for documentation of all required inspections.
11. The permit holder shall comply with the periodic monitoring requirements as specified in the attached “Periodic Monitoring Summary” upon issuance of the permit. Except for, as applicable, monitoring malfunctions, associated repairs, and required quality assurance or control activities (including, as applicable, calibration checks and required zero and span adjustments), the permit holder shall conduct all monitoring in continuous operation (or shall collect data at all required intervals) at all times that the pollutant-specific emissions unit is operating. The permit holder may elect to collect monitoring data on a more frequent basis and average the data, consistent with the averaging time specified in the “Periodic Monitoring Summary,” for purposes of determining whether a deviation has occurred. However, the additional data points must be collected on a regular basis. In no event shall data be collected and used in particular instances to avoid reporting deviations. Deviations shall be reported according to 30 TAC § 122.145 (Reporting Terms and Conditions).

### **New Source Review Authorization Requirements**

12. Permit holder shall comply with the requirements of New Source Review authorizations issued or claimed by the permit holder for the permitted area, including permits, permits by rule, standard permits, flexible permits, special permits, permits for existing facilities including Voluntary Emissions Reduction Permits and Electric Generating Facility Permits issued under 30 TAC Chapter 116, Subchapter I, or special exemptions referenced in the New Source Review Authorization References attachment. These requirements:
  - A. Are incorporated by reference into this permit as applicable requirements
  - B. Shall be located with this operating permit
  - C. Are not eligible for a permit shield
13. The permit holder shall comply with the general requirements of 30 TAC Chapter 106, Subchapter A or the general requirements, if any, in effect at the time of the claim of any PBR.
14. The permit holder shall maintain records to demonstrate compliance with any emission limitation or standard that is specified in a permit by rule (PBR) or Standard Permit listed in the New Source Review Authorizations attachment. The records shall yield reliable data from the relevant time period that are representative of the emission unit’s compliance with the PBR or Standard Permit. These records may include, but are not limited to, production capacity and throughput, hours of operation, material safety data sheets (MSDS), chemical composition of raw materials, speciation of air contaminant data, engineering calculations, maintenance records, fugitive data, performance tests,

capture/control device efficiencies, direct pollutant monitoring (CEMS, COMS, or PEMS), or control device parametric monitoring. These records shall be made readily accessible and available as required by 30 TAC § 122.144.

- A. If applicable, monitoring of control device performance or general work practice standards shall be made in accordance with the TCEQ Periodic Monitoring Guidance document.
  - B. Any monitoring or recordkeeping data indicating noncompliance with the PBR or Standard Permit shall be considered and reported as a deviation according to 30 TAC § 122.145 (Reporting Terms and Conditions).
15. The permit holder shall comply with the following requirements for Air Quality Standard Permits:
- A. Registration requirements listed in 30 TAC § 116.611, unless otherwise provided for in an Air Quality Standard Permit
  - B. General Conditions listed in 30 TAC § 116.615, unless otherwise provided for in an Air Quality Standard Permit
  - C. Applicable requirements of 30 TAC § 116.617 for Pollution Control Projects based on the information contained in the registration application.
  - D. Applicable requirements of the non-rule Air Quality Standard Permit for Pollution Control Projects based on the information contained in the registration application.

### **Compliance Requirements**

16. The permit holder shall certify compliance in accordance with 30 TAC § 122.146. The permit holder shall comply with 30 TAC § 122.146 using at a minimum, but not limited to, the continuous or intermittent compliance method data from monitoring, recordkeeping, reporting, or testing required by the permit and any other credible evidence or information. The certification period may not exceed 12 months and the certification must be submitted within 30 days after the end of the period being certified.
17. Permit holder shall comply with the following 30 TAC Chapter 117 requirements:
- A. The permit holder shall comply with the compliance schedule as required in 30 TAC § 117.9300 for electric utilities in East and Central Texas.
18. Use of Discrete Emission Credits to comply with the applicable requirements:
- A. Unless otherwise prohibited, the permit holder may use discrete emission credits to comply with the following applicable requirements listed elsewhere in this permit:

- (i) Title 30 TAC Chapter 115
  - (ii) Title 30 TAC Chapter 117
  - (iii) If applicable, offsets for Title 30 TAC Chapter 116
  - (iv) Temporarily exceed state NSR permit allowables
- B. The permit holder shall comply with the following requirements in order to use the credit to comply with the applicable requirements:
- (i) The permit holder must notify the TCEQ according to 30 TAC § 101.376(d)
  - (ii) The discrete emission credits to be used must meet all the geographic, timeliness, applicable pollutant type, and availability requirements listed in 30 TAC Chapter 101, Subchapter H, Division 4
  - (iii) The executive director has approved the use of the discrete emission credits according to 30 TAC § 101.376(d)(1)(A)
  - (iv) The permit holder keeps records of the use of credits towards compliance with the applicable requirements in accordance with 30 TAC § 101.372(h) and 30 TAC Chapter 122
19. The permit holder may comply with the following 30 TAC Chapter 101, Subchapter H, Division 5 (System Cap Trading) Requirements for an electric generating facility participating in a system cap:
- A. Title 30 TAC § 101.383 (relating to General Provisions)
  - B. Title 30 TAC § 101.385 (relating to Recordkeeping and Reporting)

### **Risk Management Plan**

20. For processes subject to 40 CFR Part 68 and specified in 40 CFR § 68.10, the permit holder shall comply with the requirements of the Accidental Release Prevention Provisions in 40 CFR Part 68. The permit holder shall submit to the appropriate agency either a compliance schedule for meeting the requirements of 40 CFR Part 68 by the date provided in 40 CFR § 68.10(a), or as part of the compliance certification submitted under this permit, a certification statement that the source is in compliance with all requirements of 40 CFR Part 68, including the registration and submission of a risk management plan.

### **Protection of Stratospheric Ozone**

21. Permit holders at a site subject to Title VI of the FCAA Amendments shall meet the following requirements for protection of stratospheric ozone.

- A. Any on site servicing, maintenance, and repair on refrigeration and nonmotor vehicle air-conditioning appliances using ozone-depleting refrigerants or non-exempt substitutes shall be conducted in accordance with 40 CFR Part 82, Subpart F. Permit holder shall ensure that repairs or refrigerant removal are performed only by persons who meet the technician certification requirements of 40CFR §82.161(a). Records shall be maintained as required by 40 CFR Part 82, Subpart F.
- B. The permit holder shall comply with 40 CFR Part 82, Subpart H related to Halon Emissions Reduction requirements as specified in 40 CFR § 82.250 - § 82.270 and the applicable Part 82 Appendices.

### **Temporary Fuel Shortages (30 TAC § 112.15)**

- 22. The permit holder shall comply with the following 30 TAC Chapter 112 requirements:
  - A. Title 30 TAC § 112.15 (relating to Temporary Fuel Shortage Plan Filing Requirements)
  - B. Title 30 TAC § 112.16(a), (a)(1), and (a)(2)(B) - (c) (relating to Temporary Fuel Shortage Plan Operating Requirements)
  - C. Title 30 TAC § 112.17 (relating to Temporary Fuel Shortage Plan Notification Procedures)
  - D. Title 30 TAC § 112.18 (relating to Temporary Fuel Shortage Plan Reporting Requirements)

### **Permit Location**

- 23. The permit holder shall maintain a copy of this permit and records related to requirements listed in this permit on site.

### **Acid Rain Permit Requirements**

- 24. For unit S4MB, located at the affected source identified by ORIS/Facility code (6648), the designated representative and the owner or operator, as applicable, shall comply with the following Acid Rain Permit requirements.
  - A. General Requirements
    - (i) Under 30 TAC § 122.12(1) and 40 CFR Part 72, the Acid Rain Permit requirements contained here are a separable portion of the Federal Operating Permit (FOP) and have an independent public comment process which may be separate from, or combined with the FOP.

- (ii) The owner and operator shall comply with the requirements of 40 CFR Part 72 and 40 CFR Part 76. Any noncompliance with the Acid Rain Permit will be considered noncompliance with the FOP and may be subject to enforcement action.
- (iii) The owners and operators of the affected source shall operate the source and the unit in compliance with the requirements of this Acid Rain Permit and all other applicable State and federal requirements.
- (iv) The owners and operators of the affected source shall comply with the General Terms and Conditions of the FOP that incorporates this Acid Rain Permit.
- (v) The term for the Acid Rain permit shall commence with the issuance of the FOP that incorporates the Acid Rain permit and shall be run concurrent with the remainder of the term of the FOP. Renewal of the Acid Rain permit shall coincide with the renewal of the FOP that incorporates the Acid Rain permit and subsequent terms shall be no more than five years from the date of renewal of the FOP and run concurrent with the permit term of the FOP.

**B. Monitoring Requirements**

- (i) The owners and operators, and the designated representative, of the affected source and each affected unit at the source shall comply with the monitoring requirements contained 40 CFR Part 75.
- (ii) The emissions measurements recorded and reported in accordance with 40 CFR Part 75 and any other credible evidence shall be used to determine compliance by the affected source with the acid rain emissions limitations and emissions reduction requirements for SO<sub>2</sub> and NO<sub>x</sub> under the ARP.
- (iii) The requirements of 40 CFR Part 75 shall not affect the responsibility of the owners and operators to monitor emission of other pollutants or other emissions characteristics at the unit under other applicable requirements of the FCAA Amendments (42 U.S.C. 7401, as amended November 15, 1990) and other terms and conditions of the operating permit for the source.

**C. SO<sub>2</sub> emissions requirements**

- (i) The owners and operators of each source and each affected unit at the source shall comply with the applicable acid rain emissions limitations for SO<sub>2</sub>.

- (ii) As of the allowance transfer deadline the owners and operators of the affected source and each affected unit at the source shall hold, in the unit's compliance subaccount, allowances in an amount not less than the total annual emissions of SO<sub>2</sub> for the previous calendar year.
- (iii) Each ton of SO<sub>2</sub> emitted in excess of the acid rain emissions limitations for SO<sub>2</sub> shall constitute a separate violation of the FCAA amendments.
- (iv) An affected unit shall be subject to the requirements under (i) and (ii) of the SO<sub>2</sub> emissions requirements as follows:
  - (1) Starting January 1, 2000, an affected unit under 40 CFR § 72.6(a)(2); or
  - (2) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR Part 75, an affected unit under 40 CFR § 72.6(a)(3).
- (v) Allowances shall be held in, deducted from, or transferred into or among Allowance Tracking System accounts in accordance with the requirements of the ARP.
- (vi) An allowance shall not be deducted, for compliance with the requirements of this permit, in a calendar year before the year for which the allowance was allocated.
- (vii) An allowance allocated by the EPA Administrator or under the ARP is a limited authorization to emit SO<sub>2</sub> in accordance with the ARP. No provision of the ARP, Acid Rain permit application, this Acid Rain Permit, or an exemption under 40 CFR §§ 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (viii) An allowance allocated by the EPA Administrator under the ARP does not constitute a property right.

D. NO<sub>x</sub> Emission Requirements

- (i) The owners and operators of the source and each affected unit at the source shall comply with the applicable acid rain emissions limitations for NO<sub>x</sub> under 40 CFR Part 76.
- (ii) The owners and operators shall comply with an NO<sub>x</sub> early election compliance plan for unit S4MB under Phase II of the acid rain program, pursuant to 40 CFR § 76.8(d)(2). This plan is approved by the TCEQ and is effective January 1, 2000 through

December 31, 2007, under which each unit's annual average NO<sub>x</sub> emission rate for each year, determined using the methods and procedures specified in 40 CFR Part 75, shall not exceed the applicable emission limitation, under 40 CFR § 76.5(a), of 0.45 lb/MMBtu for tangentially fired units. If the unit is in compliance with its applicable emission limitation for each year of the plan, then the unit shall not be subject to the standard NO<sub>x</sub> applicable emission limitations under 40 CFR § 76.7(a) until January 1, 2008.

- (iii) The Phase II NO<sub>x</sub> early election compliance plan shall be in effect only until the earlier of January 1, 2008 or January 1 of the calendar year for which a termination of this plan takes effect. If the designated representative of the unit under this plan fails to demonstrate compliance with the NO<sub>x</sub> early elect compliance plan applicable emission limitation under 40 CFR § 76.5(a), or for any year during the period beginning January 1, 2000 and ending December 31, 2007, then the TCEQ will terminate this early elect compliance plan. The termination will take effect beginning January 1 of the year following the year for which there is a failure to demonstrate compliance, and the designated representative may not submit a new early election plan. The designated representative of the unit may terminate this plan any year prior to 2008 but may not submit a new early election plan. In order to terminate this early elect compliance plan, the designated representative must submit a notice under 40 CFR § 72.40(d) by January 1 of the year for which the termination is to take effect. If the early election compliance plan is terminated on or after 2000, the unit shall not exceed the standard NO<sub>x</sub> applicable emission limitations under 40 CFR § 76.7(a) beginning on the effective date of the termination of the early election plan.
- (iv) Beginning on the effective date of the termination of the early election plan, but no later than January 1, 2008, the owners and operators shall comply with the Phase II NO<sub>x</sub> standard emission limitation compliance plan for unit S4MB, under which each unit's annual average NO<sub>x</sub> emission rate for each year, determined using the methods and procedures specified in 40 CFR Part 75, shall not exceed the applicable emission limitation of 0.40 lb/MMBtu for tangentially fired units under 40 CFR § 76.7(a)(1).

E. Excess emissions requirements for SO<sub>2</sub> and NO<sub>x</sub>.

- (i) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR Part 77.
- (ii) If an affected source has excess emissions in any calendar year shall, as required by 40 CFR Part 77:

- (1) Pay, without demand, the penalty required and pay, upon demand, the interest on that penalty.
- (2) Comply with the terms of an approved offset plan.

F. Recordkeeping and Reporting Requirements

- (i) Unless otherwise provided, the owners and operators of the affected source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the permitting authority or the EPA Administrator.
  - (1) The certificate of representation for the designated representative for the source and each affected unit and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR § 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative.
  - (2) All emissions monitoring information, in accordance with 40 CFR Part 75, provided that to the extent that 40 CFR Part 75 provides for a 3-year period for recordkeeping (rather than a five-year period cited in 30 TAC § 122.144), the 3-year period shall apply.
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the ARP or relied upon for compliance certification.
  - (4) Copies of all documents used to complete an acid rain permit application and any other submission under the ARP or to demonstrate compliance with the requirements of the ARP.
- (ii) The designated representative of an affected source and each affected unit at the source shall submit the reports required under the ARP including those under 40 CFR Part 72, Subpart I and 40 CFR Part 75.

G. Liability

- (i) Any person who knowingly violates any requirement or prohibition of the ARP, a complete acid rain permit application, an acid rain permit, or a written exemption under 40 CFR §§ 72.7 or 72.8,

including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to FCAA § 113(c).

- (ii) Any person who knowingly makes a false, material statement in any record, submission, or report under the ARP shall be subject to criminal enforcement pursuant to FCAA § 113(c) and 18 U.S.C. 1001.
  - (iii) No permit revision shall excuse any violation of the requirements of the ARP that occurs prior to the date that the revision takes effect.
  - (iv) The affected source and each affected unit shall meet the requirements of the ARP contained in 40 CFR Parts 72 through 78.
  - (v) Any provision of the ARP that applies to an affected source or the designated representative of an affected source shall also apply to the owners and operators of such source and of the affected units at the source.
  - (vi) Any provision of the ARP that applies to an affected unit (including a provision applicable to the DR of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR § 72.44 (Phase II repowering extension plans) and 40 CFR § 76.11 (NO<sub>x</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR Part 75 (including 40 CFR §§ 75.16, 75.17, and 75.18), the owners and operators and the DR of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the DR and that is located at a source of which they are not owners or operators or the DR.
  - (vii) Each violation of a provision of 40 CFR Parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or DR of such source or unit, shall be a separate violation of the FCAA Amendments.
- H. Effect on other authorities. No provision of the ARP, an acid rain permit application, an acid rain permit, or an exemption under 40 CFR §§ 72.7 or 72.8 shall be construed as:
- (i) Except as expressly provided in Title IV of the FCAA Amendments, exempting or excluding the owners and operators and, to the extent applicable, the DR of an affected source or affected unit from compliance with any other provision of the FCAA Amendments, including the provisions of Title I of the FCAA Amendments relating to applicable National Ambient Air Quality Standards or State Implementation Plans.

- (ii) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the FCAA Amendments.
  - (iii) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law.
  - (iv) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
  - (v) Interfering with or impairing any program for competitive bidding for power supply in a state in which such program is established.
- I. The number of SO<sub>2</sub> allowances allocated by the EPA in 40 CFR Part 73 is enforceable only by the EPA Administrator.

### **Clean Air Interstate Rule Permit Requirements**

25. For unit S4MB, located at the affected source identified by ORIS/Facility code (6648), the designated representative and the owner or operator, as applicable, shall comply with the following Clean Air Interstate Rule (CAIR) Permit requirements. Until approval of the Texas CAIR SIP, the permit holder shall comply with the equivalent requirements of 40 CFR Part 97 in place of the referenced 40 CFR Part 96 requirements in the Texas CAIR permit and 30 TAC Chapter 122 requirements.
- A. General Requirements
- (i) Under 30 TAC § 122.420(b) and 40 CFR §§ 96.120(b) and 96.220(b) the CAIR Permit requirements contained here are a separable portion of the Federal Operating Permit (FOP).
  - (ii) The owners and operators of the CAIR NO<sub>x</sub> and the CAIR SO<sub>2</sub> source shall operate the source and the unit in compliance with the requirements of this CAIR permit and all other applicable State and federal requirements.
  - (iii) The owners and operators of the CAIR NO<sub>x</sub> and the CAIR SO<sub>2</sub> source shall comply with the General Terms and Conditions of the FOP that incorporates this CAIR Permit.
  - (iv) The term for the initial CAIR permit shall commence with the issuance of the revision containing the CAIR permit and shall be the remaining term for the FOP that incorporates the CAIR permit.

Renewal of the initial CAIR permit shall coincide with the renewal of the FOP that incorporates the CAIR permit and subsequent terms shall be no more than five years from the date of renewal of the FOP and run concurrent with the permit term of the FOP.

B. Monitoring and Reporting Requirements

- (i) The owners and operators, and the CAIR designated representative, of the CAIR NO<sub>x</sub> source and each CAIR NO<sub>x</sub> unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements contained 40 CFR Part 96, Subpart HH.
- (ii) The owners and operators, and the CAIR designated representative, of the CAIR SO<sub>2</sub> source and each CAIR SO<sub>2</sub> unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements contained 40 CFR Part 96, Subpart HHH.
- (iii) The emissions measurements recorded and reported in accordance with 40 CFR Part 96, Subpart HH and any other credible evidence shall be used to determine compliance by the CAIR NO<sub>x</sub> source with the CAIR NO<sub>x</sub> emissions limitation.
- (iv) The emissions measurements recorded and reported in accordance with 40 CFR Part 96, Subpart HHH and any other credible evidence shall be used to determine compliance by the CAIR SO<sub>2</sub> source with the CAIR SO<sub>2</sub> emissions limitation.

C. NO<sub>x</sub> emissions requirements

- (i) As of the allowance transfer deadline for a control period, the owners and operators of the CAIR NO<sub>x</sub> source and each CAIR NO<sub>x</sub> unit at the source shall hold, in the source's compliance account, CAIR NO<sub>x</sub> allowances available for compliance deductions for the control period under 40 CFR § 96.154(a) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO<sub>x</sub> units at the source, as determined in accordance with the requirements of 40 CFR Part 96, Subpart HH.
- (ii) A CAIR NO<sub>x</sub> unit shall be subject to the requirements of paragraph C.(i) of this CAIR Permit starting on the later of January 1, 2009, or the deadline for meeting the unit's monitor certification requirements under 40 CFR § 96.170(b)(1), (2), or (5).
- (iii) A CAIR NO<sub>x</sub> allowance shall not be deducted, for compliance with the requirements of this permit, for a control period in a calendar year before the year for which the CAIR NO<sub>x</sub> allowance was allocated.

- (iv) CAIR NO<sub>x</sub> allowances shall be held in, deducted from or transferred into or among CAIR NO<sub>x</sub> Allowance Tracking System accounts in accordance with the requirements of 40 CFR Part 96, Subpart FF or Subpart GG.
- (v) A CAIR NO<sub>x</sub> allowance is a limited authorization to emit one ton of nitrogen oxides in accordance with the CAIR NO<sub>x</sub> Annual Trading Program. No provision of the CAIR NO<sub>x</sub> Annual Trading Program, the CAIR permit application, the CAIR permit, or an exemption under 40 CFR § 96.105 and no provision of law shall be construed to limit the authority of the State or the United States to terminate or limit such authorization.
- (vi) A CAIR NO<sub>x</sub> allowance does not constitute a property right.
- (vii) Upon recordation by the Administrator under 40 CFR Part 96, Subpart FF or Subpart GG, every allocation, transfer, or deduction of a CAIR NO<sub>x</sub> allowance to or from a CAIR NO<sub>x</sub> unit's compliance account is incorporated automatically in this CAIR permit.

D. NO<sub>x</sub> excess emissions requirement

- (i) If a CAIR NO<sub>x</sub> source emits nitrogen oxides during any control period in excess of the CAIR NO<sub>x</sub> emissions limitation, the owners and operators of the source and each CAIR NO<sub>x</sub> unit at the source shall surrender the CAIR NO<sub>x</sub> allowances required for deduction under 40 CFR § 96.154(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable State law.
- (ii) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 40 CFR Part 96, Subpart AA, the Clean Air Act, and applicable State law.

E. SO<sub>2</sub> emissions requirements

- (i) As of the allowance transfer deadline for a control period, the owners and operators of the CAIR SO<sub>2</sub> source and each CAIR SO<sub>2</sub> unit at the source shall hold, in the source's compliance account, CAIR SO<sub>2</sub> allowances available for compliance deductions for the control period under 40 CFR § 96.254(a) and (b) in an amount not less than the tons of total sulfur dioxides emissions for the control period from all CAIR SO<sub>2</sub> units at the source, as determined in accordance with the requirements of 40 CFR Part 96, Subpart HHH.
- (ii) A CAIR SO<sub>2</sub> unit shall be subject to the requirements of paragraph E.(i) of this CAIR Permit starting on the later of January 1, 2010, or

the deadline for meeting the unit's monitor certification requirements under 40 CFR § 96.270(b)(1), (2), or (5).

- (iii) A CAIR SO<sub>2</sub> allowance shall not be deducted, for compliance with the requirements of this permit, for a control period in a calendar year before the year for which the CAIR SO<sub>2</sub> allowance was allocated.
- (iv) CAIR SO<sub>2</sub> allowances shall be held in, deducted from, or transferred into or among CAIR SO<sub>2</sub> Allowance Tracking System accounts in accordance with the requirements of 40 CFR Part 96, Subpart FFF or Subpart GGG.
- (v) A CAIR SO<sub>2</sub> allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO<sub>2</sub> Trading Program. No provision of the CAIR SO<sub>2</sub> Trading Program, the CAIR permit application, the CAIR permit, or an exemption under 40 CFR § 96.205 and no provision of law shall be construed to limit the authority of the State or the United States to terminate or limit such authorization.
- (vi) A CAIR SO<sub>2</sub> allowance does not constitute a property right.
- (vii) Upon recordation by the Administrator under 40 CFR Part 96, Subpart FFF or Subpart GGG, every allocation, transfer, or deduction of a CAIR SO<sub>2</sub> allowance to or from a CAIR SO<sub>2</sub> unit's compliance account is incorporated automatically in this CAIR permit.

F. SO<sub>2</sub> excess emissions requirements

- (i) If a CAIR SO<sub>2</sub> source emits sulfur dioxides during any control period in excess of the CAIR SO<sub>2</sub> emissions limitation, the owners and operators of the source and each CAIR SO<sub>2</sub> unit at the source shall surrender the CAIR SO<sub>2</sub> allowances required for deduction under 40 CFR § 96.254(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable State law.
- (ii) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 40 CFR Part 96, Subpart AAA, the Clean Air Act, and applicable State law.

G. Recordkeeping and Reporting Requirements

- (i) Unless otherwise provided, the owners and operators of the CAIR NO<sub>x</sub> source and each CAIR NO<sub>x</sub> unit at the source and the CAIR SO<sub>2</sub> source and each CAIR SO<sub>2</sub> unit at the source shall keep on site at

the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the permitting authority or the Administrator.

- (1) The certificate of representation under 40 CFR §§ 96.113 and 96.213 for the CAIR NO<sub>x</sub> designated representative for the source and each CAIR NO<sub>x</sub> unit and the CAIR SO<sub>2</sub> designated representative for the source and each CAIR SO<sub>2</sub> unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation under 40 CFR §§ 96.113 and 96.213 changing the CAIR designated representative.
  - (2) All emissions monitoring information, in accordance with 40 CFR Part 96, Subpart HH and Subpart HHH, provided that to the extent that these subparts provide for a 3-year period for recordkeeping, the 3-year period shall apply.
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO<sub>x</sub> Annual Trading Program and CAIR SO<sub>2</sub> Trading Program or relied upon for compliance determinations.
  - (4) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NO<sub>x</sub> Annual Trading Program and CAIR SO<sub>2</sub> Trading Program or to demonstrate compliance with the requirements of the CAIR NO<sub>x</sub> Annual Trading Program and CAIR SO<sub>2</sub> Trading Program.
- (ii) The CAIR designated representative of a CAIR NO<sub>x</sub> source and each CAIR NO<sub>x</sub> unit at the source and a CAIR SO<sub>2</sub> source and each CAIR SO<sub>2</sub> unit at the source shall submit the reports required under the CAIR NO<sub>x</sub> Annual Trading Program and the CAIR SO<sub>2</sub> Trading Program including those under 40 CFR Part 96, Subpart HH and Subpart HHH.
- H. The CAIR NO<sub>x</sub> source and each CAIR NO<sub>x</sub> unit shall meet the requirements of the CAIR NO<sub>x</sub> Annual Trading Program contained in 40 CFR Part 96, Subparts AA through II.
- I. The CAIR SO<sub>2</sub> source and each CAIR SO<sub>2</sub> unit shall meet the requirements of the CAIR SO<sub>2</sub> Trading Program contained in 40 CFR Part 96, Subparts AAA through III.

- J. Any provision of the CAIR NO<sub>x</sub> Annual Trading Program and the CAIR SO<sub>2</sub> Trading Program that applies to a CAIR NO<sub>x</sub> source or CAIR SO<sub>2</sub> source or the CAIR designated representative of a CAIR NO<sub>x</sub> source or CAIR SO<sub>2</sub> source shall also apply to the owners and operators of such source and the units at the source.
- K. Any provision of the CAIR NO<sub>x</sub> Annual Trading Program and the CAIR SO<sub>2</sub> Trading Program that applies to a CAIR NO<sub>x</sub> unit or CAIR SO<sub>2</sub> unit or the CAIR designated representative of a CAIR NO<sub>x</sub> unit or CAIR SO<sub>2</sub> unit shall also apply to the owners and operators of such unit.
- L. No provision of the CAIR NO<sub>x</sub> Annual Trading Program, CAIR SO<sub>2</sub> Trading Program, a CAIR permit application, a CAIR permit, or an exemption under 40 CFR §§ 96.105 or 96.205 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO<sub>x</sub> source or CAIR NO<sub>x</sub> unit or a CAIR SO<sub>2</sub> source or CAIR SO<sub>2</sub> unit from compliance with any other provision of the applicable, approved State implementation plan, a federally enforceable permit, or the Clean Air Act

## **Attachments**

**Applicable Requirements Summary**

**Additional Monitoring Requirements**

**New Source Review Authorization References**

**40 CFR Part 63, Subpart UUUUU Compliance Extension**

### **Applicable Requirements Summary**

**Unit Summary ..... 30**

**Applicable Requirements Summary ..... 32**

Note: A “none” entry may be noted for some emission sources in this permit’s “Applicable Requirements Summary” under the heading of “Monitoring and Testing Requirements” and/or “Recordkeeping Requirements” and/or “Reporting Requirements.” Such a notation indicates that there are no requirements for the indicated emission source as identified under the respective column heading(s) for the stated portion of the regulation when the emission source is operating under the conditions of the specified SOP Index Number. However, other relevant requirements pursuant to 30 TAC Chapter 122 including Recordkeeping Terms and Conditions (30 TAC § 122.144), Reporting Terms and Conditions (30 TAC § 122.145), and Compliance Certification Terms and Conditions (30 TAC § 122.146) continue to apply.

## Unit Summary

Unit/Group/ Process ID No.	Unit Type	Group/Inclusive Units	SOP Index No.	Regulation	Requirement Driver
GRPAUX	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	S4SB-E, S4SB-W	R112-2	30 TAC Chapter 112, Sulfur Compounds	No changing attributes.
GRPAUX	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	S4SB-E, S4SB-W	63DDDDD-1	40 CFR Part 63, Subpart DDDDD	No changing attributes.
S4MB	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	N/A	R1111-1	30 TAC Chapter 111, Nonagricultural Processes	No changing attributes.
S4MB	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	N/A	R112-1	30 TAC Chapter 112, Sulfur Compounds	No changing attributes.
S4MB	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	N/A	R117-1	30 TAC Chapter 117, Subchapter E, Division 1	No changing attributes.
S4MB	BOILERS/STEAM GENERATORS/STEAM GENERATING UNITS	N/A	60D-1	40 CFR Part 60, Subpart D	No changing attributes.
SO1	EMISSION POINTS/STATIONARY VENTS/PROCESS VENTS	N/A	R111-2	30 TAC Chapter 111, Visible Emissions	No changing attributes.
SO3	EMISSION POINTS/STATIONARY VENTS/PROCESS VENTS	N/A	R111-1	30 TAC Chapter 111, Visible Emissions	No changing attributes.

### Unit Summary

Unit/Group/ Process ID No.	Unit Type	Group/Inclusive Units	SOP Index No.	Regulation	Requirement Driver
GRPCHS	COAL HANDLING UNITS	L10STH, L1TT1, L2CB, L6UR, L7TT2, L8TT3, L8TT3-1PS, L8TT3- 2PSF, L8TT3-3SC, L8TT3-4SSF, L8TT3-5SS, L9NTH, L9TT4	60Y-1	40 CFR Part 60, Subpart Y	No changing attributes.
GRPPBR472	LOADING/UNLOADING	DBATNK, SA- DST, SA-FOST, SA-VOCXFER	PBR472	30 TAC Chapter 106, Permits by Rule	No changing attributes.

## Applicable Requirements Summary

Unit Group Process ID No.	Unit Group Process Type	SOP Index No.	Pollutant	State Rule or Federal Regulation Name	Emission Limitation, Standard or Equipment Specification Citation	Textual Description (See Special Term and Condition 1.B.)	Monitoring And Testing Requirements	Recordkeeping Requirements (30 TAC § 122.144)	Reporting Requirements (30 TAC § 122.145)
GRPAUX	EU	R112-2	SO2	30 TAC Chapter 112, Sulfur Compounds	§ 112.9(a)	No person may cause, suffer, allow, or permit emissions of SO2 from any liquid fuel-fired steam generator, furnace, or heater to exceed 440 ppmv at actual stack conditions and averaged over 3-hours.	§ 112.2(a) ** See Periodic Monitoring Summary	§ 112.2(c)	§ 112.2(b)
GRPAUX	EU	63DDDDD-1	112(B) HAPS	40 CFR Part 63, Subpart DDDDD	§ 63.7505 The permit holder shall comply with the applicable limitation, standard and/or equipment specification requirements of 40 CFR Part 63, Subpart DDDDD	The permit holder shall comply with the applicable requirements of 40 CFR Part 63, Subpart DDDDD	The permit holder shall comply with the applicable monitoring and testing requirements of 40 CFR Part 63, Subpart DDDDD	The permit holder shall comply with the applicable recordkeeping requirements of 40 CFR Part 63, Subpart DDDDD	The permit holder shall comply with the applicable reporting requirements of 40 CFR Part 63, Subpart DDDDD
S4MB	EU	R1111-1	PM	30 TAC Chapter 111, Nonagricultural Processes	§ 111.153(b) § 111.153(a)	No person may cause, suffer, allow, or permit emissions of particulate matter from any solid fossil fuel-fired steam generator to exceed 0.3 pound of total suspended particulate per million Btu heat input, averaged over a two-hour period.	** See CAM Summary	None	None
S4MB	EU	R112-1	SO2	30 TAC Chapter 112, Sulfur Compounds	§ 112.8(a)	Except as in §112.8(b), no person may cause, suffer, allow, or permit emissions of SO2 from solid fossil fuel-fired steam generators to exceed 3.0 lb/MMBtu heat input averaged over a 3-hour period.	§ 112.2(a) § 112.8(d) ** See CAM Summary	§ 112.2(c)	§ 112.2(b)

## Applicable Requirements Summary

Unit Group Process ID No.	Unit Group Process Type	SOP Index No.	Pollutant	State Rule or Federal Regulation Name	Emission Limitation, Standard or Equipment Specification Citation	Textual Description (See Special Term and Condition 1.B.)	Monitoring And Testing Requirements	Recordkeeping Requirements (30 TAC § 122.144)	Reporting Requirements (30 TAC § 122.145)
S4MB	EU	R117-1	NOX	30 TAC Chapter 117, Subchapter E, Division 1	§ 117.3000 The permit holder shall comply with the applicable limitation, standard and/or equipment specification requirements of 30 TAC Chapter 117, Subchapter E, Division 1	The permit holder shall comply with the applicable requirements of 30 TAC Chapter 117, Subchapter E, Division 1	The permit holder shall comply with the applicable monitoring and testing requirements of 30 TAC Chapter 117, Subchapter E, Division 1	The permit holder shall comply with the applicable recordkeeping requirements of 30 TAC Chapter 117, Subchapter E, Division 1	The permit holder shall comply with the applicable reporting requirements of 30 TAC Chapter 117, Subchapter E, Division 1
S4MB	EU	60D-1	PM	40 CFR Part 60, Subpart D	§ 60.42(a)(1)	On/after the §60.8 tests, no affected facility shall emit gases containing particulate matter in excess of 43 ng/J heat input (0.10 lb/MMBtu) derived from fossil fuel or fossil fuel and wood residue.	§ 60.46(a) § 60.46(b)(1) [G]§ 60.46(b)(2) [G]§ 60.46(d)(1) § 60.46(d)(2) [G]§ 60.46(d)(3) § 60.46(d)(6) § 60.46(d)(7) ** See CAM Summary	None	None
S4MB	EU	60D-1	OPACITY	40 CFR Part 60, Subpart D	§ 60.42(a)(2)	On/after the performance tests of §60.8, no affected facility shall emit gases exhibiting greater than 20% opacity except for one six-minute period per hour of not more than 27% opacity.	§ 60.45(a) § 60.45(c) § 60.45(c)(3) § 60.45(g) § 60.45(g)(1) § 60.46(a) § 60.46(b)(3) ** See CAM Summary	None	§ 60.45(g)

### Applicable Requirements Summary

Unit Group Process ID No.	Unit Group Process Type	SOP Index No.	Pollutant	State Rule or Federal Regulation Name	Emission Limitation, Standard or Equipment Specification Citation	Textual Description (See Special Term and Condition 1.B.)	Monitoring And Testing Requirements	Recordkeeping Requirements (30 TAC § 122.144)	Reporting Requirements (30 TAC § 122.145)
S4MB	EU	60D-1	SO <sub>2</sub>	40 CFR Part 60, Subpart D	§ 60.43(a)(2)	On/after the §60.8 tests, no affected facility shall emit gases containing SO <sub>2</sub> in excess of 520 ng/J heat input (1.2 lb/MMBtu) derived from solid fossil fuel or solid fossil fuel and wood residue.	§ 60.45(a) § 60.45(c) § 60.45(c)(1) § 60.45(c)(2) [G]§ 60.45(c)(3) [G]§ 60.45(e) [G]§ 60.45(f) § 60.45(g) § 60.45(g)(2)(i) § 60.46(a) § 60.46(b) § 60.46(b)(1) [G]§ 60.46(b)(4) § 60.46(d) [G]§ 60.46(d)(1) [G]§ 60.46(d)(3) § 60.46(d)(4) § 60.46(d)(6) § 60.46(d)(7) ** See CAM Summary	None	§ 60.45(g)

## Applicable Requirements Summary

Unit Group Process ID No.	Unit Group Process Type	SOP Index No.	Pollutant	State Rule or Federal Regulation Name	Emission Limitation, Standard or Equipment Specification Citation	Textual Description (See Special Term and Condition 1.B.)	Monitoring And Testing Requirements	Recordkeeping Requirements (30 TAC § 122.144)	Reporting Requirements (30 TAC § 122.145)
S4MB	EU	60D-1	NO <sub>x</sub>	40 CFR Part 60, Subpart D	§ 60.44(a)(4)	On/after the §60.8 tests, no affected facility shall emit gases containing NO <sub>x</sub> , expressed as NO <sub>2</sub> , in excess of 260 ng/J heat input (0.60 lb/MMBtu) derived from the specified fuels.	§ 60.45(a) § 60.45(b) § 60.45(b)(3) § 60.45(c) § 60.45(c)(1) § 60.45(c)(2) [G]§ 60.45(c)(3) [G]§ 60.45(e) [G]§ 60.45(f) § 60.45(g) § 60.45(g)(3) § 60.45(g)(3)(i) § 60.46(a) § 60.46(b)(1) [G]§ 60.46(b)(5) § 60.46(d) [G]§ 60.46(d)(1) § 60.46(d)(5) § 60.46(d)(6) § 60.46(d)(7)	None	§ 60.45(g)
SO1	EP	R111-2	OPACITY	30 TAC Chapter 111, Visible Emissions	§ 111.111(a)(1)(C) § 111.111(a)(1)(E)	Visible emissions from any stationary vent shall not exceed an opacity of 15% averaged over a six minute period for any source with a total flow rate of at least 100,000 acfm unless a CEMS is installed.	[G]§ 111.111(a)(1)(F) ** See Periodic Monitoring Summary	None	None
SO3	EP	R111-1	OPACITY	30 TAC Chapter 111, Visible Emissions	§ 111.111(a)(1)(B) § 111.111(a)(1)(C) § 111.111(a)(1)(E)	Visible emissions from any stationary vent shall not exceed an opacity of 20% averaged over a six minute period for any source on which construction was begun after January 31, 1972.	§ 111.111(a)(1)(D) [G]§ 111.111(a)(1)(F)	§ 111.111(a)(1)(C) § 111.111(a)(1)(D)	None

### Applicable Requirements Summary

Unit Group Process ID No.	Unit Group Process Type	SOP Index No.	Pollutant	State Rule or Federal Regulation Name	Emission Limitation, Standard or Equipment Specification Citation	Textual Description (See Special Term and Condition 1.B.)	Monitoring And Testing Requirements	Recordkeeping Requirements (30 TAC § 122.144)	Reporting Requirements (30 TAC § 122.145)
GRPCHS	EP	60Y-1	OPACITY	40 CFR Part 60, Subpart Y	§ 60.254(a)	On and after the date on which the performance test is conducted or required to be completed under §60.8, whichever date comes first, an owner or operator shall not cause to be discharged into the atmosphere from any coal processing and conveying equipment, coal storage system, or coal transfer and loading system processing coal constructed, reconstructed, or modified on or before April 28, 2008, gases which exhibit 20 percent opacity or greater.	§ 60.255(a) ** See Periodic Monitoring Summary	None	None
GRPPBR472	EU	PBR472	OPACITY	30 TAC Chapter 106, Permits by Rule	[G]§ 106.472	Liquid loading or unloading equipment for railcars, tank trucks or drums; storage containers, reservoirs, tanks; and change of service of material loaded, unloaded or stored provided that no visible emissions result and the chemicals loaded, unloaded or stored	** See Periodic Monitoring Summary	[G]§ 106.8(c)	None
GRPPBR472	EU	PBR472	VOC	30 TAC Chapter 106, Permits by Rule	[G]§ 106.472	Liquid loading or unloading equipment for railcars, tank trucks or drums; storage containers, reservoirs, tanks; and change of service of material loaded, unloaded or stored provided that no visible emissions result and the chemicals loaded, unloaded or stored	None	None	None

**Additional Monitoring Requirements**

**Compliance Assurance Monitoring Summary ..... 38**

**Periodic Monitoring Summary..... 43**

## CAM Summary

<b>Unit/Group/Process Information</b>	
ID No.: S4MB	
Control Device ID No.: S4EP	Control Device Type: Wet or Dry Electrostatic Precipitator
<b>Applicable Regulatory Requirement</b>	
Name: 30 TAC Chapter 111, Nonagricultural Processes	SOP Index No.: R1111-1
Pollutant: PM	Main Standard: § 111.153(b)
<b>Monitoring Information</b>	
Indicator: Opacity	
Minimum Frequency: 6 times per minute	
Averaging Period: 2 hour block	
Deviation Limit: Maximum opacity = 20%	
<p>CAM Text: The continuous opacity monitoring system (COMS) shall be operated in accordance with the requirements, including schedules of 40 CFR 60.13 and 40 CFR Part 60, Appendix B.</p> <p>The COMS shall take six 10-second readings per minute and record a six-minute average opacity. The six minute average values will then be averaged over a 2 hour block. The 2 hour block will start at the beginning of each clock hour of the day and end at the second clock hour (i.e. 0000-0200, 0200-0400, etc.).</p> <p>If the opacity exceeds 20% averaged over the 2 hour block period, it shall be considered and reported as a deviation.</p> <p>A valid 2 hour block shall consist of at least 19 of the 20 six minute readings (95%) that the boiler is in operation. Monitoring data shall not be included in the two-hour block average during periods of monitoring malfunctions, associated repairs, and required quality assurance or control activities as specified in 40 CFR64.7(c).</p>	

## CAM Summary

<b>Unit/Group/Process Information</b>	
ID No.: S4MB	
Control Device ID No.: S4SO2S	Control Device Type: Wet Scrubber
<b>Applicable Regulatory Requirement</b>	
Name: 30 TAC Chapter 112, Sulfur Compounds	SOP Index No.: R112-1
Pollutant: SO2	Main Standard: § 112.8(a)
<b>Monitoring Information</b>	
Indicator: SO2 concentration	
Minimum Frequency: Permit holder will collect at least four data values equally spaced over each hour.	
Averaging Period: 3 hours	
Deviation Limit: SO2 emissions not to exceed 3.0 lb/MMBtu heat input	
<p>CAM Text: The CEMS shall be operated in accordance with 40 CFR Part 75 and Performance Specifications of 40 CFR Part 75.</p> <p>The CEMS shall be located, installed and operated in accordance with 40 CFR Part 75 and Performance Specifications of 40 CFR Part 75.</p> <p>As required by 40 CFR 64.3(b)(2), if the permit holder modifies existing monitoring equipment used for CAM purposes or installs new monitoring equipment used for CAM purposes, the permit holder will verify the operational status of the monitoring equipment in accordance with 40 CFR Part 75 and Performance Specifications of 40 CFR Part 75.</p>	

## CAM Summary

<b>Unit/Group/Process Information</b>	
ID No.: S4MB	
Control Device ID No.: S4EP	Control Device Type: Wet or Dry Electrostatic Precipitator
<b>Applicable Regulatory Requirement</b>	
Name: 40 CFR Part 60, Subpart D	SOP Index No.: 60D-1
Pollutant: PM	Main Standard: § 60.42(a)(1)
<b>Monitoring Information</b>	
Indicator: Opacity	
Minimum Frequency: Six times per minute	
Averaging Period: Six minutes	
Deviation Limit: Maximum 20% opacity except for one six-minute period per hour of not more than 27% opacity.	
CAM Text: The QA/QC procedures will be implemented in accordance with 40 CFR 60.13.	
<p>The COMS is located, installed and operated in accordance with 40 CFR 60.13. The deviation limit does not apply during periods of startup, shutdown, and malfunction, during which 60.11(c) provides that the opacity standard is not applicable.</p> <p>As required by 40 CFR 64.3(b)(2), if the permit holder modifies existing monitoring equipment used for CAM purposes or installs new monitoring equipment used for CAM purposes, permit holder shall verify the operational status of the monitoring status of the monitoring equipment in accordance with 40 CFR 60.13.</p>	

## CAM Summary

<b>Unit/Group/Process Information</b>	
ID No.: S4MB	
Control Device ID No.: S4EP	Control Device Type: Wet or Dry Electrostatic Precipitator
<b>Applicable Regulatory Requirement</b>	
Name: 40 CFR Part 60, Subpart D	SOP Index No.: 60D-1
Pollutant: PM (OPACITY)	Main Standard: § 60.42(a)(2)
<b>Monitoring Information</b>	
Indicator: Opacity	
Minimum Frequency: Six times per minute	
Averaging Period: Six minutes	
Deviation Limit: Maximum 20% opacity except for one six-minute period per hour of not more than 27% opacity.	
CAM Text: The QA/QC procedures will be implemented in accordance with 40 CFR 60.13.	
<p>The COMS is located, installed and operated in accordance with 40 CFR 60.13. The deviation limit does not apply during periods of startup, shutdown, and malfunction, during which 60.11(c) provides that the opacity standard is not applicable.</p> <p>As required by 40 CFR 64.3(b)(2), if the permit holder modifies existing monitoring equipment used for CAM purposes or installs new monitoring equipment used for CAM purposes, permit holder shall verify the operational status of the monitoring status of the monitoring equipment in accordance with 40 CFR 60.13.</p>	

## CAM Summary

<b>Unit/Group/Process Information</b>	
ID No.: S4MB	
Control Device ID No.: S4SO2S	Control Device Type: Wet Scrubber
<b>Applicable Regulatory Requirement</b>	
Name: 40 CFR Part 60, Subpart D	SOP Index No.: 60D-1
Pollutant: SO <sub>2</sub>	Main Standard: § 60.43(a)(2)
<b>Monitoring Information</b>	
Indicator: SO <sub>2</sub> concentration	
Minimum Frequency: At least four data values equally spaced over each hour.	
Averaging Period: 3 hours	
Deviation Limit: SO <sub>2</sub> emissions not to exceed 1.2 lb/MMBtu heat input, averaged over a 3-hour period.	
<p>CAM Text: The CEMS shall be operated in accordance with 40 CFR 60.13 and 60.45.</p> <p>The CEMS shall be located, installed and operated in accordance with 40 CFR 60.13 and 60.45.</p> <p>As required by 40 CFR 64.3(b)(2), if the permit holder modifies existing monitoring equipment used for CAM purposes or installs new monitoring equipment used for cam purposes, the permit holder shall verify the operational status of the monitoring equipment in accordance with 40 CFR 60.13 and 60.45.</p>	

## Periodic Monitoring Summary

<b>Unit/Group/Process Information</b>	
ID No.: GRPAUX	
Control Device ID No.: N/A	Control Device Type: N/A
<b>Applicable Regulatory Requirement</b>	
Name: 30 TAC Chapter 112, Sulfur Compounds	SOP Index No.: R112-2
Pollutant: SO <sub>2</sub>	Main Standard: § 112.9(a)
<b>Monitoring Information</b>	
Indicator: Fuel sulfur content	
Minimum Frequency: Annually	
Averaging Period: n/a	
Deviation Limit: Maximum 0.7% sulfur, by weight	
Periodic Monitoring Text: Maintain fuel usage and sulfur content records to demonstrate that only fuel oil containing <0.7% sulfur is burned in the unit.	

## Periodic Monitoring Summary

<b>Unit/Group/Process Information</b>	
ID No.: GRPCHS	
Control Device ID No.: N/A	Control Device Type: N/A
<b>Applicable Regulatory Requirement</b>	
Name: 40 CFR Part 60, Subpart Y	SOP Index No.: 60Y-1
Pollutant: OPACITY	Main Standard: § 60.254(a)
<b>Monitoring Information</b>	
Indicator: Opacity	
Minimum Frequency: Once per month	
Averaging Period: Six minutes	
Deviation Limit: Maximum opacity = 20%	
<p>Periodic Monitoring Text: Opacity shall be monitored by a certified observer, for at least one six-minute period in accordance with 40 CFR 60, Appendix A, Test Method 9. Any opacity readings above the deviation limit shall be reported as a deviation.</p>	

## Periodic Monitoring Summary

<b>Unit/Group/Process Information</b>	
ID No.: GRPPBR472	
Control Device ID No.: N/A	Control Device Type: N/A
<b>Applicable Regulatory Requirement</b>	
Name: 30 TAC Chapter 106, Permits by Rule	SOP Index No.: PBR472
Pollutant: OPACITY	Main Standard: [G]§ 106.472
<b>Monitoring Information</b>	
Indicator: Liquid type or visible emissions	
Minimum Frequency: Monthly	
Averaging Period: n/a	
Deviation Limit: Liquid type or visible emissions	
<p>Periodic Monitoring Text: The permit holder shall maintain monthly records of the type of liquid loaded, unloaded, or stored. If a liquid other than fuel oil, diesel fuel, dust suppressants, kerosene, dibasic acid, antifreeze, or new or used lubricating oil, gear oil, or hydraulic oil is loaded, unloaded, or stored, the permit holder shall either list this occurrence as a deviation according to 30 TAC §122.145 (Reporting Terms and Conditions) or conduct a monthly observation of the source during normal loading, unloading, or storage to determine if visible emissions are present. If an observation is conducted and visible emissions are present, the permit holder shall list this occurrence as a deviation according to 30 TAC §122.145.</p>	

## Periodic Monitoring Summary

<b>Unit/Group/Process Information</b>	
ID No.: SO1	
Control Device ID No.: N/A	Control Device Type: N/A
<b>Applicable Regulatory Requirement</b>	
Name: 30 TAC Chapter 111, Visible Emissions	SOP Index No.: R111-2
Pollutant: OPACITY	Main Standard: § 111.111(a)(1)(C)
<b>Monitoring Information</b>	
Indicator: Opacity	
Minimum Frequency: Monthly	
Averaging Period: Six minutes	
Deviation Limit: Opacity > 15% opacity	
Periodic Monitoring Text: Conduct an opacity test in accordance with 40 CFR Part 60, Appendix A, Test Method 9 once per month, when the stack is operational. Any opacity readings above the deviation limit shall be reported as a deviation.	

**New Source Review Authorization References**

**New Source Review Authorization References .....48**

**New Source Review Authorization References by Emission Unit..... 50**

## New Source Review Authorization References

The New Source Review authorizations listed in the table below are applicable requirements under 30 TAC Chapter 122 and enforceable under this operating permit.

<b>Prevention of Significant Deterioration (PSD) Permits</b>	
PSD Permit No.: PSDTX28M1	Issuance Date: 12/16/2011
<b>Title 30 TAC Chapter 116 Permits, Special Permits, and Other Authorizations (Other Than Permits By Rule, PSD Permits, or NA Permits) for the Application Area.</b>	
Authorization No.: 108271	Issuance Date: 03/04/2013
Authorization No.: 108867	Issuance Date: 05/30/2014
Authorization No.: 45425	Issuance Date: 06/22/2012
Authorization No.: 4980	Issuance Date: 12/16/2011
Authorization No.: 5473	Issuance Date: 07/18/2005
Authorization No.: 87633	Issuance Date: 03/19/2009
Authorization No.: 97146	Issuance Date: 07/21/2011
<b>Permits By Rule (30 TAC Chapter 106) for the Application Area</b>	
Number: 106.144	Version No./Date: 09/04/2000
Number: 106.227	Version No./Date: 09/04/2000
Number: 106.261	Version No./Date: 03/14/1997
Number: 106.261	Version No./Date: 11/01/2003
Number: 106.262	Version No./Date: 11/01/2003
Number: 106.263	Version No./Date: 11/01/2001
Number: 106.264	Version No./Date: 09/04/2000
Number: 106.412	Version No./Date: 09/04/2000
Number: 106.433	Version No./Date: 09/04/2000
Number: 106.452	Version No./Date: 03/14/1997
Number: 106.452	Version No./Date: 09/04/2000
Number: 106.454	Version No./Date: 09/04/2000
Number: 106.472	Version No./Date: 09/04/2000
Number: 106.511	Version No./Date: 09/04/2000
Number: 106.532	Version No./Date: 09/04/2000
Number: 5	Version No./Date: 05/12/1981

### **New Source Review Authorization References**

The New Source Review authorizations listed in the table below are applicable requirements under 30 TAC Chapter 122 and enforceable under this operating permit.

Number: 58	Version No./Date: 05/05/1976
Number: 58	Version No./Date: 05/12/1981

### New Source Review Authorization References by Emissions Unit

The following is a list of New Source Review (NSR) authorizations for emission units listed elsewhere in this operating permit. The NSR authorizations are applicable requirements under 30 TAC Chapter 122 and enforceable under this operating permit.

Unit/Group/Process ID No.	Emission Unit Name/Description	New Source Review Authorization
DBATNK	DIBASIC ACID TANK	106.472/09/04/2000
L10STH	UNIT 4 SOUTH LIGNITE TRIPPER HOUSE & FEED BINS	5473
L1TT1	TRANSFER TOWER 1	5473, 87633, 106.262/11/01/2003
L2CB	CONVEYOR 41 TO 42	5473, 87633, 106.262/11/01/2003
L6UR	STACKOUT LIGNITE UNDERGROUND RECLAIM HOPPER	5473, 108271
L7TT2	TT #2 LIGNITE CRUSHER/SURGE BIN TO CONVEYORS 44A&B	5473, 106.264/09/04/2000
L8TT3-1PS	PRIMARY SAMPLER	106.262/11/01/2003, 108271
L8TT3-2PSF	PRIMARY SAMPLER FEEDER	106.262/11/01/2003, 108271
L8TT3-3SC	SAMPLE CRUSHER	106.262/11/01/2003, 108271
L8TT3-4SSF	SECONDARY SAMPLE FEEDER	106.262/11/01/2003, 108271
L8TT3-5SS	SECONDARY SAMPLER	106.262/11/01/2003, 108271
L8TT3	TT #3 LIGNITE SURGE BIN/ TO CONVEYOR 45 & 47	5473, 108271
L9NTH	UNIT 4 NORTH LIGNITE TRIPPER HOUSE & FEED BINS	5473
L9TT4	TT #4 LIGNITE TO CONVEYOR 46	5473
S4EDG	ENGINE	005/05/12/1981
S4FD	ENGINE	005/05/12/1981
S4MB	UNIT 4 BOILER	45425, 4980, 97146, PSDTX28M1, 108867
S4SB-E	UNIT 4 STARTUP BOILER EAST	4980, PSDTX28M1

### New Source Review Authorization References by Emissions Unit

The following is a list of New Source Review (NSR) authorizations for emission units listed elsewhere in this operating permit. The NSR authorizations are applicable requirements under 30 TAC Chapter 122 and enforceable under this operating permit.

Unit/Group/Process ID No.	Emission Unit Name/Description	New Source Review Authorization
S4SB-W	UNIT 4 STARTUP BOILER WEST	4980, PSDTX28M1
SA-DSCT	DUST SUPPRESSION CHEMICAL TANK	106.472/09/04/2000
SA-FOST	UNIT 4 FUEL OIL STORAGE TANK	106.472/09/04/2000
SA-VOCXFER	NON-GASOLINE VOC TRANS VESSEL LOAD/UNLOAD AT SITE	106.472/09/04/2000
SO1	UNIT 4 STARTUP BOILER EAST & WEST COMMON STACK	4980, PSDTX28M1
SO3	UNIT 4 BOILER STACK	45425, 4980, 97146, 108867, PSDTX28M1

**40 CFR Part 63, Subpart UUUUU Compliance Extension**  
**40 CFR Part 63, Subpart UUUUU Compliance Extension .....51**

Bryan W. Shaw, Ph.D., *Chairman*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
*Protecting Texas by Reducing and Preventing Pollution*

September 20, 2013

MS KIM MIRELES  
DIRECTION ENVIRONMENTAL GENERATION  
LUMINANT GENERATION COMPANY LLC  
1601 BRYAN ST  
DALLAS TX 75201-3430

Re: Re: Title 40 Code of Federal Regulations Part 63, Subpart UUUUU Compliance Extension  
Title V Operating Permit Number: 054  
New Source Review Permit Number: 4980  
Sandow Unit 4  
Rockdale, Milam County  
Regulated Entity Number: RN102147881  
Customer Reference Number: CN603256413  
Account Number: MM-0023-J  
Associated Permit Number: PSDTX28M1

Dear Ms. Mireles:

This is in response to your letter dated June 7, 2013, requesting an extension of one year to comply with the requirements in Title 40 Code of Federal Regulations (40 CFR) Part 63, Subpart UUUUU (National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-Fired Electric Steam Generating Units). Based on the information in your letter dated June 7, 2013, the one electric generating unit at the Sandow 4 Steam Electric Station is hereby granted a one year extension from April 16, 2015 to April 16, 2016 to comply with the requirements in 40 CFR Part 63, Subpart A and UUUUU.

Item numbers 1 through 4 below are conditions of the compliance extension approval.

**Emission Control Installations and Compliance Schedule**

1. The following compliance schedule shall be met, as represented in your request for compliance extension to satisfy the requirements of 40 CFR § 63.6(i)(6)(i):
  - (a) During the 2013 through 2014 time period, Luminant will complete preliminary flue gas desulfurization and precipitator work, engineering and feasibility studies, and testing.
  - (b) During the 2014 through 2015 time period, Luminant will: complete demonstration testing of control options and potential additional ESP and flue gas desulfurization optimization perform analysis of test results, selection control options, complete bid documents and award potential contracts, complete supplier engineering work and install control equipment or process changes as necessary.
  - (c) During the 2015 through 2016 time period, Luminant will startup and test control options and optimization for MATS compliance.

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Ms. Kim Mireles  
Page 2  
September 20, 2013

Re: Title V Operating Permit Number: 054

- (d) Final compliance with the Subpart UUUUU standards for Sandow 4 shall be achieved by April 16, 2016.
- (e) Initial compliance testing for Sandow 4 required by 40 CFR § 63.10005 shall be conducted no later than 180 days following the one year extension date of April 16, 2016.

**Support for Compliance Schedule**

- 2. Luminant proposes an alternate compliance schedule based upon receiving a one year extension. The compliance schedule takes into consideration the engineering studies, operational testing, construction schedule to install additional pollution controls, and optimization of controls for Sandow 4.

**Notification and Other Requirements**

- 3. Luminant shall submit two reports updating the status of progress towards reaching compliance with the MATS for Sandow 4. The first report shall be submitted no later than July 30, 2014 and the second report shall be submitted no later than July 30, 2015. Once compliance with the standards is achieved for Sandow 4, which shall be no later than April 16, 2016, Luminant shall submit a notification to the TCEQ and the U.S. Environmental Protection Agency (EPA) Region 6, postmarked within 30 days of the date compliance was achieved, specifying the new compliance date and detailing the affected site and equipment. All monitoring, performance testing, recordkeeping, and reporting required by the applicable standards in Subpart A and UUUUU must begin on the new compliance date, or where time frames in the standards are established from the compliance date, must be based on the new compliance date.

The notification required in this condition should be directed to:

Air Section Manager  
TCEQ Region 9  
6801 Sanger Avenue, Ste. 2500  
Waco, Texas 76710 - 7826

With Copies To:

Texas Commission on Environmental Quality  
Air Permits Division, MC-163  
Mr. Erik Hendrickson  
P.O. Box 13087  
Austin, Texas 78711-3087

U.S. Environmental Protection Agency  
Region 6  
Attn: Air Permits Section (6PD-R)  
1445 Ross Avenue, Suite 1200  
Dallas, Texas 75202-2733

Ms. Kim Mireles  
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September 20, 2013

Re: Title V Operating Permit Number: 054

4. This compliance extension may be terminated, or additional requirements imposed, at any time the TCEQ or EPA determines that Luminant is not making reasonable efforts to comply consistent with the compliance extension application.

Pursuant to 40 CFR § 63.6(i)(4)(i)(A), Luminant is required to apply for a revision of the affected source's Title V permit (Permit Number 054) to incorporate the conditions of this compliance extension.

The TCEQ appreciates your attention to the changing applicable rule requirements. If you need further information or have any questions, please contact Mr. Erik Hendrickson, P.E. at (512) 239-1095 or write to the TCEQ, Office of Air, Air Permits Division, MC-163, P.O. Box 13087, Austin, Texas 78711-3087.

This action is taken under authority delegated by the Executive Director of the TCEQ.

Sincerely,



Michael Wilson, P.E., Director  
Air Permits Division  
Office of Air  
Texas Commission on Environmental Quality

MPW/EH/eh

Enclosure

cc: Air Section Manager, Region 9 - Waco  
Air Permits Section Chief, New Source Review, Section (6PD-R), U.S. Environmental  
Protection Agency, Region 6, Dallas

Project Number: 195082

**Appendix A**

**Acronym List ..... 57**

## Acronym List

The following abbreviations or acronyms may be used in this permit:

ACFM	.....	actual cubic feet per minute
AMOC	.....	alternate means of control
ARP	.....	Acid Rain Program
ASTM	.....	American Society of Testing and Materials
B/PA	.....	Beaumont/Port Arthur (nonattainment area)
CAM	.....	Compliance Assurance Monitoring
CD	.....	control device
COMS	.....	continuous opacity monitoring system
CVS	.....	closed-vent system
D/FW	.....	Dallas/Fort Worth (nonattainment area)
DR	.....	Designated Representative
ELP	.....	El Paso (nonattainment area)
EP	.....	emission point
EPA	.....	U.S. Environmental Protection Agency
EU	.....	emission unit
FCAA Amendments	.....	Federal Clean Air Act Amendments
FOP	.....	federal operating permit
GF	.....	grandfathered
gr/100 scf	.....	grains per 100 standard cubic feet
HAP	.....	hazardous air pollutant
H/G/B	.....	Houston/Galveston/Brazoria (nonattainment area)
H <sub>2</sub> S	.....	hydrogen sulfide
ID No.	.....	identification number
lb/hr	.....	pound(s) per hour
MMBtu/hr	.....	Million British thermal units per hour
MRRT	.....	monitoring, recordkeeping, reporting, and testing
NA	.....	nonattainment
N/A	.....	not applicable
NADB	.....	National Allowance Data Base
NO <sub>x</sub>	.....	nitrogen oxides
NSPS	.....	New Source Performance Standard (40 CFR Part 60)
NSR	.....	New Source Review
ORIS	.....	Office of Regulatory Information Systems
Pb	.....	lead
PBR	.....	Permit By Rule
PM	.....	particulate matter
ppmv	.....	parts per million by volume
PSD	.....	prevention of significant deterioration
RO	.....	Responsible Official
SO <sub>2</sub>	.....	sulfur dioxide
TCEQ	.....	Texas Commission on Environmental Quality
TSP	.....	total suspended particulate
TVP	.....	true vapor pressure
U.S.C.	.....	United States Code
VOC	.....	volatile organic compound